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FOR IMMEDIATE RELEASE**

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CHAPMAN COMPANY SENIOR VICE PRESIDENT INDICTED

BALTIMORE, Maryland – Allen F. Loucks, United States Attorney for the District of Maryland, announces that on June 14, 2005 a federal grand jury returned an indictment against Daniel Baldwin, Jr., age 48, of Randallstown, Maryland charging Baldwin with securities fraud, false statements, and false declarations before a federal grand jury in connection with the June 2000 Initial Public Offering (IPO) of *eChapman.com*, Inc.

The 34-count indictment unsealed late yesterday alleges that Baldwin, a Senior Vice President and stock broker at The Chapman Company (TCC), a securities brokerage located in Baltimore, Maryland, committed securities fraud by placing shares of *eChapman* stock into the accounts of individual TCC retail customers without their knowledge and without adequate disclosure of the risks involved in investing in *eChapman* stock. The indictment further alleges that Baldwin sometimes sold clients' positions in other, less risky stocks or mutual funds without authorization, or borrowed against the margin portion of clients' accounts, in order to pay for the purchases of *eChapman* stock. When *eChapman* stock subsequently opened for public trading on June 20, 2000, the stock lost more than 40% of its value in its first day of trading due to the lack of

investor demand for the stock. By the end of 2000, the stock was down 75% from its original IPO offering price of \$13.00 per share; it fell to pennies per share in the spring of 2002 and was eventually delisted from NASDAQ trading.

The indictment further charges that Baldwin made false statements in an interview with two agents of the Federal Bureau of Investigation in September 2002 and testified falsely before a federal Grand Jury investigating the *eChapman* IPO in October 2002. Specifically, the indictment charges that Baldwin falsely represented that he had spoken to each of his clients and obtained their authorization before purchasing *eChapman* stock for their accounts.

The maximum penalties for each count charging securities fraud are 20 years' imprisonment and a \$5 million fine. The maximum penalties for the charges of making false statements and making false declarations before a federal grand jury are 5 years imprisonment and a \$250,000 fine.

An indictment is not a finding of guilt. An individual charged by indictment is presumed innocent unless and until proven guilty at some later criminal proceeding.

The criminal charges in the indictment are the result of an investigation by the Federal Bureau of Investigation and the United States Attorney's Office. The case is being prosecuted by Assistant United States Attorneys Jefferson M. Gray and Craig M. Wolff.